University Department of Commerce and BusinessManagement Ranchi University, Ranchi

Synopsis for Ph.D. registrationOn

Role of Social Media in Shaping Brand Perception and Customer Loyalty inFMCG Products: A case Study on Ranchi District

Guided and supervised by

Dr. Tarun Chakraborty

Assistant Professor

Department of Commerce and Business Management Studies

Marwari College, Ranchi,

Submitted by

Suraj Kumar (Research Scholar)

RU PhD Entrance

ExamRoll No.-05201

Introduction

With the recent advancement in the field of communication and technology, social platform has become evident as the preferred medium for companies & entrepreneurs seeking to disseminate details related to their products, foster public recognition and cultivate a broader audience. Earlier, the entrepreneurs and companies generally used celebrities as a way to shape their brand perception. Internet Community not only serve as channels for communication for companies but also amplify brand visibility[1] (Tegler,2009).

To this end, social media influencers act as a dynamic third-party endorser to spread a brand's message to vast audience across the world. Consumers who exhibit a positive attitude towards the social network credibility are attracted through social network advertisements. The present study examines the penetrations of agencies for opting social platform experts and their role in customer engagement and brand awareness. With this aim, the study also assesses different methods adopted by these influencers for influencing customers using a systematic review.

The growth in the use of social network has fundamentally altered how marketing is conducted. The rapidly growing platform of social media, with access to 2.77 billion internet users globally, has revolutionized how business connect, communicate, and involve their customer base.

Businesses are allocating funds towards technology to improve their visibility on social media platforms. Marketers foresee a 71% rise in social media expenditure over the next five years, as reported by CMO 2018.[2]

Social media's evolution continually transforms how people live, as noted by Sheth (2018)[3]. Technology permeates society, influencing it during rapid social shifts. For example, decades ago, television was

[1]Tegler, E. (2009). Ford is counting on army of 100 bloggers to launch new fiesta. *Advertising Age*.

[2]Ebrahim, R. (2019). The Role of Trust in Understanding the Impact of Social Media Marketing on Brand Equity and Brand Loyalty. *Journal of Relationship Marketing*.

[3]Seth, J. N. (2018). How Social Media Will Impact Marketing Media. *Social Media Marketing*.

groundbreaking, reshaping society significantly. However, today, television technology is deemed outdated, as the digital and internet era dominates. At the present scenario, the landscape, face-to-face interactions transcend physical boundaries, occurring within digital realms instead of shared geographic spaces.

The knowledge of social media enables billions of individuals to share their contents, impacting and being influenced by others[4]. This digital realm offers a novel perspective on existing theories of social influence.

Effective branding is one of the crucial factors in educational institutions by establishing a distinct identity and reputation, setting them apart from competitors, and drawing in potential students and stakeholders.

During silicon era, social media has ideally integrated into our day to day lives, including educational institutions. Social media marketing has emerged as a crucial tool for educational institutions to foster brand loyalty and reputation[5], as highlighted by Del Rocío et al. (2022). However, the association between social network marketing and educational institution brand loyalty is intricate and requires thorough investigation. While existing studies underscore the importance of branding in education, there is a need for further research examining the role of social media marketing on destination branding. The research was carried out with the aims to delve into the role of social media marketing in shaping brand loyalty in educational institutions.

Given the rising usage of social media platforms in higher education, understanding its role on brand loyalty is increasingly vital. The study adopts a mixed-methods approach, combining quantitative and

[4] Remko, S. R. (2014). Analysing Social Influence Through Social Media, A Structured Literature Review. *Proceedings of the 7th IADIS International Conference Information System*.

[5] Maria del Rocio Bonilia, E. P. (2020). Insights into User Engagement on Social Media. Case Study of a Higher Education Institution. *Journal of Marketing for Higher Education*.

qualitative methods to elucidate how social media marketing activities influence students' perceptions and loyalty towards educational institutions. The study's result will offer practical implications for educational marketers on leveraging social media marketing strategies effectively to cultivate brand loyalty and enhance institutional reputation.

Social media influencers, recognized as individuals with substantial and devoted followings, utilize platforms like Facebook, Twitter, and Instagram to be in contact with their crowd. Through authentic recommendations, they foster trust on behalf of brands, leveraging their loyal audience to drive website traffic and enhance social media visibility, shaping brand perception. According to Gallagher (2018), brand engagement through social media influencers surged from 81% in 2017 to 90% in 2018[6]. Moreover, companies are anticipated to significantly increase investment in social media influencers, with spending expected to reach over USD7.5 billion by 2022, increasing at a compound annual growth rate (CAGR) of 38%.

The increasing appeal of social media can be attributed to influencers who effectively market products by seamlessly blending lifestyle and public relations efforts. This approach seize the communication barriers between brands, consumers, and influencer followers on social platforms. Before the advent of social media, customer communication was limited to one-way interactions via television. Internet community has transformed consumer interaction with brands, moving beyond traditional advertising mediums like commercials, billboards, and print ads. Influencers play a pivotal role by encouraging active engagement with brands, fostering informed decision-making among consumers. Their rise in popularity stems from the trust and intimacy they build with their followers, allowing for more relatable and trustworthy recommendations compared to traditional brand ambassadors. Consumers empower influencers by valuing their opinions, shaping their purchasing decisions based on their recommendations. Additionally,

[6] Gallagher, K. (2018). The influencer marketing report : the best practices and platforms brands use when tapping popular social media personalities for marketing. *Business Insider*.

the accessibility of topical search options on social media enables consumers to personalize their information consumption, further enhancing the relevance of social media influencers in comparison to other communication channels.

This study investigates how agencies perceive the use of social media influencers and their impact on customer engagement and brand awareness. It also evaluates the various strategies employed by influencers to sway customer behaviour.

Brand Perception

According to Van Gelder (2005), encompasses consumers' overall impression of a brand, formed through exposure and experiences. It's crucial for companies to understand and shape brand perception as it influences consumer behavior and guides branding strategies.[7] Factors like engagement and interaction on social media significantly impact brand perception, ultimately affecting profitability. Moreover, brand perception is influenced by "value equity," including price, quality, and convenience, all of which are facilitated by social media's ability to maintain brand-consumer relationships. Positive brand perception drives user interactions, informs purchase decisions, and fosters positive word-of-mouth, while social media campaigns enhance brand value and support consumers throughout the purchase process.

Social Media Influencer

Social media influencers significantly impact brand propositions and offerings, with their personality traits playing a pivotal role. They often exhibit traits such as expertise, innovation, and a degree of manipulative behavior to achieve their goals. However, they also display traits like gregariousness and empathy to capitalize on their social capital effectively. Academics have proposed various methods for ranking influencers, including PageRank-like measures and node closeness based on factors like in-degree and reposting's. Influencers strategically employ practices to enhance customer engagement and influence

[7] Gelder, S. V. (2003). Global brand strategy: unlocking brand potential across countries, cultures & markets. *Kogan Page Publishers*.

brand perception, including fostering relationships with key audiences and raising awareness about products through online activities. They help brands cultivate influential images among consumers, foster direct relationships, and drive brand loyalty by serving as trusted brand voices and facilitating two-way communication. Additionally, influencers create a competitive advantage for firms by generating customer-generated content for co-creation, leading to shared insights and enhanced brand loyalty. Moreover, influencers serve as a lead acquisition medium for companies, enabling them to reach potential customers interested in their product offerings.

Additionally, with the ranks, social media influencers strategically use certain practices to increase customer engagement and influence brand perception. These include measures of enhancing relationships with a brand's key audiences to improve reputation of the brand. Further, the role of social media influencers in driving brand perception is to ensure that the brand is able to gain an influential image in consumers' discernment.[8] Influencers help the brand build direct relationships with a focused group for consumers that in-turn makes way to encourage brand loyalty in them. Influencers also become, the direct voice on behalf of the brands that consumers can trust and also open a two-way conversation medium to drive brand loyalty further.[9] The social media influencers also create a competitive advantage for the firms by creating a thread of customer-generated content containing customer's insight for co-creation. Co-creation enhances the core offering for the products and also leads to shared insights. Additionally, the influencers also act as a lead acquisition medium for the firm that enables them to gain a competitive edge over the firms.

[8] Niur Leila Khalid, S. Y. (2018). Social media influencers- shaping consumption culture among Malaysian youth. *SHS Web of Conference, EDP Sciences*.

[9] Glucksman, M. (2017). The rise of social media influencer marketing on lifestyle branding: A case study of Lucie Fink. *Elon Journal of Undergraduate Research in Communications*.

Customer Loyalty

Customer loyalty is a term used to refer to the customer's willingness of doing a repeated business with a particular company or brand. Customer loyalty is the outcome of customer's satisfaction of customer satisfaction, positive customer experiences, and the overall value of the goods or services a customer receives from a business**.** The loyal customers are not affected by the price quality and availability of other qualities offered by other brands. Even loyal customers are willing to pay more for the goods and services if they are getting the same quality, they are familiar with. Other characteristics of a loyal customer include the following:

- they do not actively indulge them to look for different suppliers;
- they usually refer a specific brand to their family and friends;
- they are not open to pitches from competing companies;
- they also look for other goods and services provided by a particular business;
- they tend to have more understanding when some unusual problem arises and have faith in the business trust to fix them;
- they often provide feedback on how a business can improve themselves to enhance customer satisfaction;
- loyal customer will keep buying from a particular business as long as there is a need, they will keep purchasing from a business.

Review of Literature

Jaitly & Gautam[10]

In a systematic review conducted by Jaitly & Gautam (2021) to understand the impact of social media influencers or customer engagement and brand perception revealed that the customers are highly influenced by social network influencers as they can effectively reach specific target audiences. In comparison to conventional advertising methods, leveraging influencers provides agencies with a stronger competitive edge in customer engagement and brand promotion.

Roberto Chierici, Barbara Del Bosco, Alice Mazzuccheli & Claudio Chiacchierini[11]

A qualitative study conducted on 268 samples to analyze the role of social media in enhancing brand awareness, reputation and loyalty by Chierici et.al., (2018) reported that utilizing social media alongside other communication channels and effectively sharing data collected from social network within the organization are key managerial strategies for boosting brand awareness, reputation, and loyalty. Additionally, promptly engaging with customers on social media is vital for fostering brand loyalty. These findings offer valuable contributions to branding and social media studies, offering practical insights for enhancing brand strength in today's digital landscape.

Raed Algharabat, Nripendra P Rana, Ali Abdallah Alalwan, Abdullah Baabdullah[12]

[10] Gautam, R. C. (2021). Impact of social media influencers on customer engagement and brand perception. *International Journal of Internet Marketing and Advertising*.

[11] Roberto Chierici, B. D. (2019). Enhancing Brand Awareness, Reputation and Loyalty: The Role of Social Media. *International Journal of Business and Management*.

[12] Raed Algharabat, N. P. (2020). Investigating the antecedents of customer brand engagement and consumer-based brand equity in social media. *Journal of Retailing and Consumer Services*.

In an empirical study conducted on Investigating the Antecedents of Customer Brand Engagement and Consumer-based Brand Equity in social media by Algharabat (2020) suggests that brand awareness and associations influence perceived quality but do not directly impact brand loyalty. To understand the effectiveness of the CBE (consumer-based equity) scale, upcoming research could explore its effects across various social media platforms and brands. The lack of substantial empirical studies on CBE drove the motivation for this research.

Chu-Bing Zhang, Yi-Na Li[13]

In another research conducted by Chu-Bing Zhang (2019) to know how the use of social media influences B2B customer loyalty: roles of trust and purchase risk showed that the social network usage alone doesn't directly impact the risk associated with purchasing decisions; instead, only the perception of benevolence can mitigate purchase risk. Through serial mediation models, the researcher revealed that social media usage influences customer loyalty indirectly by shaping trust in salespersons' integrity and benevolence, which will affect purchase risk.

Reham Shawky Ebrahim[14]

Ebrahim (2020) conducted another study to see the role of trust in understanding the impact of social media on brand equity and brand loyalty. The researcher aimed to investigate how social media marketing

[13] Chu-Bing Zhang, Y.-N. L. (2019). How social media usage influences b2b customer loyalty: roles of trust and purchase risk. *Journal of Business & Industrial Marketing*.

[14] Ebrahim, R. S. (2019). The role of trust in understanding the impact of social media marketing on brand equity and brand loyalty. *Journal of Relationship Marketing*.

activities (SMM) impact brand loyalty by examining the roles of brand trust and brand equity. Conducted through an online survey of 287 users following telecommunications companies on social media in Egypt, the data underwent analysis using structural equation modelling. The findings indicate that SMM activities can be categorized into three dimensions: trendiness, customization, and word-of-mouth. These dimensions directly impact brand loyalty and indirectly affect brand equity, with brand trust serving as a mediator. The study underscores the importance of trust and offers insights into measuring how effective social media marketing strategies are?

Sandra J.R. Kainde & Deske W. Mandagi[15]

Kainde (2023) from his study suggested that social media marketing (SMM) activities affect students' perceptions of educational institutions' brands and their loyalty towards them. The findings revealed that SMM significantly influences students' attitudes towards educational institutions and fosters loyalty to these institutions. Moreover, the influence of SMM on brand loyalty is mediated by students' attitudes towards the brand. The study concludes by offering practical insights for educational marketers to leverage social media marketing strategies effectively to cultivate brand loyalty and improve the reputation of their institution.

[15] Mandagi, S. J. (2023). From likes to loyalty: The interplay of Social Media Marketing in Shaping Education Institution Brand attitude and Loyalty. *Journal Ekonomi*.

Studies related to the role of social media in special reference to FMCG products

Trang & An[16]

Rang & An(2023) in their study found that social media is the most important tool to enhance the strategies of FMCG retails.

Goud & Reddy[17]

Goud & Reddy(2023) in their study revealed that positive brand associations can enhance brand extension and expansions into new market or product categories and social media impacts positive brand association

Research Gap

After conducting a thorough literature review, it became apparent that numerous studies have examined the role of social media in shaping brand perception and customer loyalty in various contexts. However, a significant research gap exists regarding this phenomenon within the specific regional context of Jharkhand state. Despite the abundance of research on a global scale, there is a dearth of studies that focus on understanding how social media influences brand perception and customer loyalty within the unique cultural and socioeconomic landscape of Jharkhand. Furthermore, existing literature primarily focuses on

16 An, N. M. (2023). The role of social media in fmcg retail in Veitnam. *International Journal of Social Sciences & Humanities*.

17 Reddy, R. G. (2023). Brand Association as an Influencer of Brand Image of FMCG brands in Hyderabad. *Anveshana's International Journal of Research in Regional Studies, Law, Social Sciences, Journalism and Management Practices*.

large multinational corporations, neglecting the perspectives of small and medium-sized enterprises (SMEs) that constitute a significant portion of the business ecosystem in Jharkhand. Therefore, there is a need for research that fills these gaps by examining the role of social media in shaping brand perception and customer loyalty within the context of Jharkhand, considering both the strategies employed by businesses and the perspectives of consumers, including those of SMEs.

Objective of the study

The primary objective of this proposed research is to investigate the role of social media in shaping brand perception and customer loyalty within the context of Jharkhand state. Specifically, the research aims to achieve the following objectives:

1. To examine the current landscape of social media usage among FMCG businesses operating in Jharkhand particularly Ranchi, including the prevalent platforms, frequency of use, and types of content shared.
2. To analyze the impact of social media activities on brand perception among consumers in Ranchi district, considering factors such as brand visibility, engagement levels, and sentiment analysis.
3. To assess the relationship between social media engagement and customer loyalty within the Ranchi district market, exploring how factors such as brand trust, satisfaction, and advocacy are influenced by social media interactions.
4. To identify effective social media strategies employed by businesses in Ranchi district to enhance brand perception and foster customer loyalty, considering both qualitative and quantitative aspects of social media marketing campaigns.
5. To provide actionable recommendations for FMCG business operating in Ranchi district, based on empirical findings, aimed at optimizing their social media efforts to improve brand perception and cultivate long-term customer loyalty.

Through the accomplishment of these research objectives, this study aims to contribute valuable insights to both academic literature and practical implications for FMCG businesses seeking to leverage social media effectively in the context of Jharkhand.

Hypothesis of the study

Based on the research objectives of the study, the hypothesis of the study are as follows:

- H_{01}: There is no significant relationship between social media engagement and brand perception among consumers in Ranchi district.
- H_1: There is a significant positive relationship between social media engagement and brand perception among consumers in Ranchi district.
- H_{02}: Social media activities do not have a significant impact on customer loyalty among FMCG businesses in Ranchi district.
- H_2: Social media activities have a significant positive impact on customer loyalty among businesses in Ranchi district.
- H_{o3}Social media platforms enable FMCG businesses to achieve their marketing goals and objectives.
- $H_{3Social}$ media platforms enable FMCG businesses to achieve their marketing goals and objectives.

Rationales of the study

This proposed study aims to explore the profound influence of social media on brand perception and customer loyalty in the context of the modern digital marketplace. It will critically analyze the dynamic relationship between social media platforms, brand image formation, consumer behavior, and the cultivation of enduring customer loyalty. Through this investigation, businesses will gain valuable insights into crafting effective strategies that will shape positive brand perception and foster lasting customer

relationships. Additionally, the study will delve into the broader societal benefits of social media engagement by brands, highlighting how effective utilization of these platforms can foster community-building, meaningful dialogue, and contribute to positive societal discourse. Ultimately, this research will contribute to a deeper understanding of the multifaceted role of social media in shaping both consumer behavior and societal interactions, offering valuable implications for businesses seeking to thrive in the digital age.

Research Methodology

The research methodology for this study will employ a mixed-methods approach, combining both qualitative and quantitative techniques to comprehensively investigate the role of social media in shaping brand perception and customer loyalty within the context of Jharkhand state.

Data Collection:

1. **Quantitative Data:** A survey questionnaire will be developed to collect quantitative data from consumers and businesses in Ranchi district. The questionnaire will include items related to social media usage, brand perception, and customer loyalty.

2. Qualitative Data: Semi-structured interviews will be conducted with key stakeholders, including representatives from businesses and social media users in Ranchi district. These interviews will provide in-depth insights into social media strategies, brand perception, and factors influencing customer loyalty.

Sampling:

1. Consumer Sample: A stratified random sampling technique will be employed to select a diverse sample of about 350 consumers across different demographics (age, gender, income) in Jharkhand.

2. Business Sample: About 50 FMCG businesses operating in Jharkhand will be purposively selected based on criteria such as size, and social media presence.

Data Analysis:

1. Quantitative Analysis: Statistical techniques such as correlation analysis, regression analysis, and factor analysis will be used to analyze the quantitative survey data, examining the relationships between social media engagement, brand perception, and customer loyalty.

2. Qualitative Analysis: Thematic analysis will be employed to analyze the qualitative data obtained from interviews, identifying key themes and patterns related to social media strategies, brand perception, and customer loyalty.

Limitations

- The study is restricted to Ranchi district only.
- The present study will only include FMCG products and not other products that also uses social media to enhance brand perception and customer loyalty.

TENTATIVE CHAPTERISATION

Chapter-1	Introduction & Review of Literature
Chapter-2	An Overview of Brand Perception and Customer Loyalty in Jharkhand
Chapter-3	Role of Social Media in Shaping Brand Perception and Customer Loyalty in Jharkhand with special reference to Ranchi district
Chapter-4	Data Analysis &Hypothesis Testing
Chapter-5	Conclusions, Findings & Recommendation

---------- ----------

SUPERVISOR/ GUIDE **RESEARCH SCHOLAR**

References

Algharabat, R., Rana, N. P., Alalwan, A. A., Baabdullah, A., & Gupta, A. (2020). Investigating the antecedents of customer brand engagement and consumer-based brand equity in social media. *Journal of Retailing and Consumer Services*, *53*, 101767.

Chierici, R., Del Bosco, B., Mazzucchelli, A., & Chiacchierini, C. (2019). Enhancing brand awareness, reputation and loyalty: the role of social media. *International journal of Business and Management*, *14*(1), 216-228.

Ebrahim, R. S. (2020). The role of trust in understanding the impact of social media marketing on brand equity and brand loyalty. *Journal of Relationship Marketing*, *19*(4), 287-308.

Gallagher, K. (2018) 'The influencer marketing report: the best practices and platforms brands use when tapping popular social media personalities for marketing', Business Insider.

Glucksman, M. (2017) 'The rise of social media influencer marketing on lifestyle branding: a case study of Lucie Fink', Elon Journal of Undergraduate Research in Communications, Vol. 8, No. 2, pp.77–87.

Jaitly, R. C., & Gautam, O. (2021). Impact of social media influencers on customer engagement and brand perception. *International Journal of Internet Marketing and Advertising*, *15*(2), 220-242.

Kainde, S. J., & Mandagi, D. W. (2023). From likes to loyalty: the interplay of social media marketing in shaping education institution brand attitude and loyalty. *Jurnal Ekonomi*, *12*(02), 465-475.

Khalid, N.L., Jayasainan, S.Y. and Hassim, N. (2018) 'Social media influencers-shaping consumption culture among Malaysian youth', in SHS Web of Conferences, EDP Sciences, Vol. 53, p.02008.

Sheth, J. N. (2018). How social media will impact marketing media. *Social media marketing: Emerging concepts and applications*, 3-18.

Tegler, E. (2009). Ford is counting on army of 100 bloggers to launch new fiesta. *Advertising Age*, *80*(14), 17.

Van Gelder, S. (2005) Global Brand Strategy: Unlocking Branding Potential Across Countries, Cultures & Markets, Kogan Page Publishers, London, UK.

Zhang, C. B., & Li, Y. N. (2019). How social media usage influences B2B customer loyalty: roles of trust and purchase risk. *Journal of Business & Industrial Marketing*, *34*(7), 1420-1433.